

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7154**

**BILL NUMBER:** HB 1475

**NOTE PREPARED:** Jan 23, 2007

**BILL AMENDED:**

**SUBJECT:** Department of Correction Construction.

**FIRST AUTHOR:** Rep. Porter

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill changes the requirements for the Department of Correction to use inmate labor on certain construction projects.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** Under current law, the Department of Correction (DOC) may use offender labor for these two types of projects.

<u>Type of Project</u>	<u>Current Dollar Limit</u>
Rehabilitation, extension, maintenance, construction or repair of any structure, improvement or facility under the control of the Department of Correction.	\$100,000
Altering, building, constructing, demolishing, improving, or repairing a public building or structure.	\$100,000

Under this bill, there would be no cap on the cost of a project in which offenders can work as long as the project is within 1,000 feet of the secured perimeter of a DOC facility. The Commissioner of the Department of Administration or the director of the public works division within DOA would have to review the project and approve the use of offender labor.

Any expenditure saving will depend on the nature of the project and the skills of the offender labor force.

DOC identified 107 projects in 16 facilities in which offender labor was used. It estimates that \$5 M was saved when offender labor was used. The types of projects that offenders worked on included simple yard work to painting; demolishing buildings; constructing new buildings and roofs; and installing heating, ventilation, and air conditioning equipment.

DOC also identified 30 projects in 9 facilities in which DOC offenders could participate. These range from plumbing repair to painting to building demolition. Some of these projects may be located outside of the facility itself.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Administration; Department of Correction.

**Local Agencies Affected:**

**Information Sources:** Tim Brown, Legislative Liaison, Department of Correction.

**Fiscal Analyst:** Mark Goodpaster, 317-232-9852.